

The
General
Accounting
Office:

JUST THE FACTS

Every day in Washington, D.C., federal agencies hunker down in the trenches and barter for access to taxpayer dollars. Figuring out which agency programs deserve these scarce resources is in many ways the government's chief responsibility. It's a tough job made even more so by all the political maneuvering that goes on in the nation's capital. To help make fair decisions, the government needs an unbiased watchdog, free of political affiliations, to guard the public's money and make sure that it's well spent. That watchdog exists in the form of the General Accounting Office (GAO), an independent, nonpartisan



agency charged with making sure that government programs meet their objectives and provide the public a good service. Many of the nation's most important environmental laws and programs have come under the GAO's review and emerged with a sharper focus as a result. The activities of this important agency have significant implications for the health and well-being of the public.

Agency Origins

The GAO is based in Washington, D.C., with 11 regional offices around the country. The head of the agency, currently David M. Walker, is selected by the U.S. president and confirmed by the Senate to serve a 15-year term. This unusual length of tenure helps establish a sense of political neutrality that is rare in the federal government.

The GAO works at the request of Congress. Any senator or representative can request a GAO audit, and many of them do—the agency has produced more than 1,000 reports and issues hundreds of transcripts of congressional testimony every year. At its disposal is a staff of 3,300 experts in program evaluation, accounting, law, economics, and more, who routinely investigate government programs. GAO professionals confer with stakeholders, review data, and scour budgets and expenditures looking for inefficiencies, waste, and tangible results showing that a program is succeeding in meeting its goals. On Capitol Hill, GAO findings can play a critical role in determining how and where financial resources will be allocated.

The GAO was born out of the financial disarray that followed World War I. Burdened with war-related debt and recognizing that it needed more information and better control over its expenses, Congress passed the Budget and Accounting Act of 1921, which created the GAO and transferred auditing responsibilities, accounting, and claims functions from the Treasury Department to the newly formed agency. The act made the GAO independent of the Executive Branch and gave it a broad mandate to investigate federal spending. Although the GAO's role has since been expanded beyond accountancy to include expertise in fields such as health care, public policy, and information management, this act still serves as the basis for its operations.

According to several agency staffers, the GAO's powerful influence over budget decisions occasionally leads some members of Congress to seek its use as a political weapon. "Information is the coin of the realm in Washington, and if you

have better information than the other guy it helps to bolster your position," one senior GAO official notes wryly.

As a result, the GAO must often negotiate its approach to a request carefully in order to ensure that political neutrality is maintained. "We routinely sit with congressional officials to discuss the wording of [their request for GAO action]," acknowledges Peter Guerrero, the GAO's director of environmental protection issues, the office where the bulk of environmental health activities are concentrated. "Some have very strong opinions about Superfund, Clean Air, and other programs, and their bias is sometimes conspicuous. We then have to work with them to ensure the questions they ask are fair, objective, and unbiased."

The GAO and the Environment

The GAO's impact on environmental policy has been substantial. Numerous GAO investigations have shaped environmental laws and programs, making them leaner and more effective. Guerrero points to the GAO's role during the evolution of the Safe Drinking Water Act as a flagship example. Several reports have examined aspects of the act, confirming state and federal compliance, evaluating funding shortages and inconsistencies, and determining which of its provisions actually protect health and the environment. A series of critical reports released during the early 1990s led Congress to make some important revisions based on GAO findings. "The sum total of all our efforts pointed to a compelling case for changing the law," says Guerrero. "The Congress acted on many of our recommendations when they amended [the law] in 1996. They strengthened public notification provisions, they increased emphasis on watershed protection, and they took steps to address areas that were underfunded." The GAO's efforts on the Safe Drinking Water Act continue today, with an emphasis on assessing progress on implementing the 1996 amendments.

The GAO has also been involved in many other federal initiatives related to environmental health. These include air pollution, surface water quality, international environmental agreements, chemical and pesticide hazards, indoor air, climate change, and even the security of the computer system at the U.S. Environmental Protection Agency (EPA), which was shut down for several days in December 1999 when the GAO disclosed that the network was seriously vulnerable to hackers.

One area in which the GAO has been especially active is Superfund, the subject

of dozens of reports accompanying congressional debate of the law's proposed reauthorization. According to Guerrero, GAO reports have addressed issues ranging from the expense and time needed for competing remediation alternatives, to problems with program management, to the limited progress made in assessing risks at thousands of contaminated sites whose future cleanup strategies have yet to be determined. "The GAO has done a very good job of keeping the program accountable and honest on the budget side," acknowledges Chris Kearney, a professional staff member with the House Budget Committee. A request by Kearney's committee resulted in a January 2000 GAO report titled *Superfund: Analysis of Costs at Five Superfund Sites*, which found that the relationship between actual and estimated costs of cleanup varied considerably from site to site.

Guerrero says the degree to which the GAO's recommendations actually influence environmental policies depends on a number of factors, particularly whether Congress sees the issues being addressed as being high priorities. GAO input on major laws such as Superfund, the Clean Air Act, and the Clean Water Act often has an impact because these programs are so expensive and have such a high degree of visibility. The extent of the media's coverage of an issue can also play a role. For example, a report released in March 2000 titled *Pesticides: Improvements Needed to Ensure the Safety of Farmworkers and Their Children* was widely covered in the press. Chuck Barchok, an assistant director of environmental protection issues at the GAO and lead author of the pesticides report, says that the publicity has "created an atmosphere in which the recommendations are likely to get a lot of attention." These recommendations include improving the data on acute pesticide illness and taking steps to protect children younger than 12 against toxic pesticide exposures.

But in some cases, the GAO's recommendations are delayed when other, more pressing problems take precedence. As an example, Guerrero recalls that a September 1994 GAO review of the implementation of the Toxic Substances Control Act (TSCA) titled *Toxic Substances Control Act: Legislative Changes Could Make the Act More Effective* found what he describes as a "paucity of data on exposure to toxic chemicals." At the time, TSCA took a back seat to congressional oversight of the Clean Air Act, reauthorization of Superfund and the Safe

Drinking Water Act, and reformation of pesticide regulation. With scant attention being paid to TSCA, notes Guerrero, it's not surprising that a more recent report—*Toxic Chemicals: Long-Term Coordinated Strategy Needed to Measure Exposures in Humans*, released in May 2000—found human exposure data for only 6% of the 1,400 toxic chemicals evaluated under TSCA. Says Guerrero, "This finding echoes our concerns from years ago."

Funding pressures also influence whether GAO recommendations are followed. This is already apparent in the case of the pesticides report. Pesticide studies are costly and time-consuming, and must be considered in the context of the entire budget for relevant agencies, which include the EPA, the Department of Health and Human Services, and the National Institute for Occupational Safety and Health, says Barchok. "Implementing the recommendations will probably come at the expense of something else," he says. "Hard choices will have to be made."

Ultimately, GAO recommendations are often factored into a dynamic process of consensus building in Congress that grows over time. Sometimes, says Guerrero, it can take years to develop the true bipartisan consensus needed to change major laws such as Superfund or the Clean Air Act. Once that consensus is reached, the GAO's recommendations take center stage as policies are formed and resources are allocated.

The Winds of Change

In April 2000, the GAO released its strategic plan, which is designed to guide its activities through 2005. Specifically, the plan seeks to help Congress anticipate and respond to a number of themes the agency believes will characterize rule making in the twenty-first century. These include increasing globalization, challenges of national and economic security, and technological innovation. To enhance its capacity for carrying out the strategic plan, the agency has been undergoing some substantial changes that streamline operations and better delineate responsibilities. For example, the agency's organizational structure, which is currently built around 31 issue areas, will be folded into 11 broader teams. One of these will be the natural resources and environment team, which will absorb Guerrero's staff in environmental protection. Furthermore, a number of field offices are scheduled to close on November 1, with staff offered early

retirement or placement in other locations. Affected offices include Kansas City, Kansas; St. Louis, Missouri; Portland, Oregon; Raleigh, North Carolina; and Sacramento, California.

In addition, Walker has pushed for so-called human capital legislation that would allow the GAO to continue staffing its workforce based on skills, knowledge, and performance rather than length of service, as is typically the norm in most federal agencies. In September 2000, a compromise GAO human capital legislation bill comprising elements of preexisting House and Senate bills (H.R. 4642 and S. 2603, respectively) was being drafted. The incentive for the legislation stems in part from a 25% reduction in the GAO's workforce that occurred when its budget was cut for fiscal year 1995. According to Laura Kopelson, a senior public affairs specialist at the GAO, downsizing during that time took place from the bottom up, leaving the agency top-heavy at the senior- and middle-management levels. The goal of the legislation is to attract more highly skilled entry-level workers, offer severance packages and alternate employment to some existing staff (34% of whom will be eligible for retirement by the end of 2004), and reduce managerial burdens on some senior-level technical specialists.

At the same time, Congress is considering legislation that would increase the scope of the GAO's activities by having it review agency cost-benefit analyses for regulations costing \$100 million or more. Agencies that propose regulations of this value must prepare regulatory impact assessments describing the policies' associated costs and benefits. According to a senior official with the House Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, speaking under condition of anonymity, Congress currently has no means of assessing the quality of these analyses, which is worrisome because the total cost of all federal regulations exceeds \$800 billion per year. "Sometimes a detailed analysis will show that the costs of the regulation exceed the value of the benefits," explains this official. The anticipation is that GAO review of the agencies' own analyses will help to ensure cost estimates are well founded. As of September 2000, two similar bills addressing this issue (H.R. 4924 and S. 1198, the Truth in Regulating Act of 2000) had just passed each house of Congress, with the expectation that a compromise bill will be enacted before the end of the year.

The legislation is not without controversy. Referring to its potential environmental impacts, Gary Bass, executive director of the Washington, D.C.-based organization OMB Watch, warns that the additional review is redundant and could significantly delay the implementation of regulations designed to protect public health. OMB Watch, a public-interest group that tracks the activities of the White House Office of Management and Budget, chairs Citizens for Sensible Safeguards (a coalition comprising environmental, labor, consumer, and religious organizations), which opposes the legislation. "It already takes about 10 years to get a major rule out," says Bass. "Meanwhile, people suffer and die. I'd be more interested in Congress coming up with a law that speeds up the rule-making process rather than slowing it down."

Nevertheless, the current legislation is agreeable to senior officials with the GAO, who believe the agency is up to the challenge if provided with additional staff and resources. "We feel very positive about the opportunity to help the Congress evaluate regulatory implementation of their statutes," says Bob Murphy, the GAO's general counsel. Guerrero agrees with this assessment. "Doing this type of analysis is not new for us. What would be different is that it would set up a routine expectation that we would be doing this much more frequently. This means our workload would increase, and we would need additional resources to do the job."

There's little doubt that the GAO will be up to the job. Since its inception, the agency has consistently been able to maintain a high level of respect among stakeholders involved in federal policy. As the government has evolved through the years to manage emerging challenges, the GAO has kept pace, continually redefining its role and function. The twenty-first century will bring with it a host of unprecedented environmental, technical, and social changes, and with its new strategic plan, the GAO is demonstrating once again its efforts to help the government prepare for the future. With oversight from the GAO, government programs should be better able to focus their efforts where they are most needed, and in this way, help to ensure that those programs serve citizens and the environment in which they live more effectively.

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